

APPENDIX G - FINANCIAL DOCUMENTATION

APPENDIX G-1
 COMPOSITE OVERVIEW
 COST NEUTRALITY FORMULA

INSTRUCTIONS: Complete one copy of this Appendix for each level of care in the waiver. If there is more than one level (e.g. hospital and nursing facility), complete an Appendix reflecting the weighted average of each formula value and the total number of unduplicated individuals served.

LEVEL OF CARE: CHCBS-NF

YEAR	FACTOR D	FACTOR D'	FACTOR G	FACTOR G'
1	\$4,993.79	\$24,926.15	\$38,036.24	\$6,206.53
2	\$5,121.95	\$27,779.41	\$38,797.21	\$6,512.57
3	\$5,257.50	\$30,727.79	\$39,583.54	\$6,828.80
4	\$5,406.48	\$33,581.05	\$40,344.51	\$7,134.84
5	\$5,558.99	\$36,529.43	\$41,130.85	\$7,451.08

FACTOR C: NUMBER OF UNDUPLICATED INDIVIDUALS SERVED

YEAR	UNDUPLICATED INDIVIDUALS
1	<u>638</u>
2	<u>653</u>
3	<u>669</u>
4	<u>684</u>
5	<u>700</u>

EXPLANATION OF FACTOR C:

Check one:

☐ The State will make waiver services available to individuals in the target group up to the number indicated as factor C for the waiver year.

☒ The State will make waiver services available to individuals in the target group up to the lesser of the number of individuals indicated as factor C for the waiver year, or the number authorized by the State legislature for that time period.

The State will inform HCFA in writing of any limit which is less than factor C for that waiver year.

APPENDIX G-2

METHODOLOGY FOR DERIVATION OF FORMULA VALUES

FACTOR D

LOC: NF

The July 25, 1994 final regulation defines Factor D as:

"The estimated annual average per capita Medicaid cost for home and community-based services for individuals in the waiver program."

The demonstration of Factor D estimates is on the following page.

APPENDIX G-2
 FACTOR D
 LOC: NF

Demonstration of Factor D estimates: LOC=NF

Waiver Year 1 2003-04

Column A	Column B	Column C	Column D		Column E
Waiver Service as defined in Appendix B-1	#Unduplicated Recipients (users)	Avg. # Annual Units/User	Avg. Unit Cost	Subtotal	(Column B x Column C x Column D) =
1. Case Management	638	68	\$ 7.72		\$ 334,935.56
2. Total IHSS					\$ 2,851,204.98
2a. Health Maintenance	289	258	\$ 21.29	\$ 1,587,424.98	
2b. Personal Care	350	295	\$ 12.24	\$ 1,263,780.00	

Grand Total (sum of Column E) \$ 3,186,140.54

Total Estimated Unduplicated Recipients 638

Factor D \$ 4,993.79

Average Length of Stay 235.28

Demonstration of Factor D estimates: LOC=NF

1 unit of case management = 15 minutes

1 unit of IHSS services = 1 hour

DATE:

Waiver Year 2 2004-05

Column A	Column B	Column C	Column D		Column E
Waiver Service as defined in Appendix B-1	#Unduplicated Recipients (users)	Avg. # Annual Units/User	Avg. Unit Cost	Subtotal	(Column B x Column C x Column D) =
1. Case Management	653	68	\$ 7.72		\$ 342,944.05
2. Total IHSS					\$ 3,003,105.18
2a. Health Maintenance	304	258	\$ 21.29	\$ 1,669,817.28	
2b. Personal Care	369	295	\$ 12.24	\$ 1,333,287.90	

Grand Total (sum of Column E) \$ 3,346,049.23

Total Estimated Unduplicated Recipients 653

Factor D \$ 5,121.95

Average Length of Stay 235.28

Demonstration of Factor D estimates: $LOC = NF$

DATE:

Waiver Year 3 2005-06

Column A	Column B	Column C	Column D		Column E
Waiver Service as defined in Appendix B-1	#Unduplicated Recipients (users)	Avg. # Annual Units/User	Avg. Unit Cost	Subtotal	(Column B x Column C x Column D) =
1. Case Management	669	68	\$ 7.72		\$ 351,219.49
2. Total IHSS					\$ 3,166,258.43
2a. Health Maintenance	321	258	\$ 21.29	\$ 1,761,657.23	
2b. Personal Care	389	295	\$ 12.24	\$ 1,404,601.20	

Grand Total (sum of Column E) \$ 3,517,477.92

Total Estimated Unduplicated Recipients 669

Factor D \$ 5,257.50

Average Length of Stay 235.28

Demonstration of Factor D estimates: LOC=NF

DATE:

Waiver Year 4 2006-07

Column A	Column B	Column C	Column D		Column E
Waiver Service as defined in Appendix B-1	#Unduplicated Recipients (users)	Avg. # Annual Units/User	Avg. Unit Cost	Subtotal	(Column B x Column C x Column D) =
1. Case Management	684	68	\$ 7.72		\$ 359,227.98
2. Total IHSS					\$ 3,340,402.64
2a. Health Maintenance	338	258	\$ 21.29	\$ 1,858,548.38	
2b. Personal Care	410	295	\$ 12.24	\$ 1,481,854.27	

Grand Total (sum of Column E) \$ 3,699,630.62

Total Estimated Unduplicated Recipients 684

Factor D \$ 5,406.48

Average Length of Stay 235.28

Demonstration of Factor D estimates: LOC=NF

DATE:

Waiver Year 5 2007-08

Column A	Column B	Column C	Column D		Column E
Waiver Service as defined in Appendix B-1	#Unduplicated Recipients (users)	Avg. # Annual Units/User	Avg. Unit Cost	Subtotal	(Column B x Column C x Column D) =
1. Case Management	700	68	\$ 7.72		\$ 367,503.41
2. Total IHSS					\$ 3,524,124.79
2a. Health Maintenance	357	258	\$ 21.29	\$ 1,960,768.54	
2b. Personal Care	433	295	\$ 12.24	\$ 1,563,356.25	

Grand Total (sum of Column E) \$ 3,891,628.20

Total Estimated Unduplicated Recipients 700

Factor D \$ 5,558.99

Average Length of Stay 235.28

APPENDIX G-3

DATE:

METHODS USED TO EXCLUDE PAYMENTS FOR ROOM AND BOARD

The purpose of this Appendix is to demonstrate that Medicaid does not pay the cost of room and board furnished to an individual under the waiver.

- A. The following service(s), other than respite care*, are furnished in residential settings other than the natural home of the individual (e.g., foster homes, group homes, supervised living arrangements, assisted living facilities, personal care homes, or other types of congregate living arrangements). (Specify):

*NOTE: FFP may be claimed for the cost of room and board when provided as part of respite care in a Medicaid certified NF or ICF/MR, or when it is provided in a foster home or community residential facility that meets State standards specified in this waiver.)

- B. The following service(s) are furnished in the home of a paid caregiver. (Specify):

Attached is an explanation of the method used by the State to exclude Medicaid payment for room and board.

APPENDIX G-4
METHODS USED TO MAKE PAYMENT FOR RENT AND FOOD EXPENSES OF AN
UNRELATED LIVE-IN CAREGIVER

Check one:

- ☐ The State will not reimburse for the rent and food expenses of an unrelated live-in personal caregiver who lives with the individual(s) served on the waiver.
- ☒ The State will reimburse for the additional costs of rent and food attributable to an unrelated live-in personal caregiver who lives in the home or residence of the individual served on the waiver. The service cost of the live-in personal caregiver and the costs attributable to rent and food are reflected separately in the computation of factor D (cost of waiver services) in Appendix G-2 of this waiver request.

Attached is an explanation of the method used by the State to apportion the additional costs of rent and food attributable to the unrelated live-in personal caregiver that are incurred by the individual served on the waiver.

APPENDIX G-5

FACTOR D'

LOC:

NOTICE: On July 25, 1994, HCFA published regulations which changed the definition of factor D'. The new definition is:

"The estimated annual average per capita Medicaid cost for all other services provided to individuals in the waiver program."

Include in Factor D' the following:

The cost of all State plan services (including home health, personal care and adult day health care) furnished in addition to waiver services WHILE THE INDIVIDUAL WAS ON THE WAIVER.

The cost of short-term institutionalization (hospitalization, NF, or ICF/MR) which began AFTER the person's first day of waiver services and ended BEFORE the end of the waiver year IF the person returned to the waiver.

Do NOT include the following in the calculation of Factor D':

If the person did NOT return to the waiver following institutionalization, do NOT include the costs of institutional care.

Do NOT include institutional costs incurred BEFORE the person is first served under the waiver in this waiver year.

If institutional respite care is provided as a service under this waiver, calculate its costs under Factor D. Do not duplicate these costs in your calculation of Factor D'.

DATE:

APPENDIX G-5

FACTOR D' (cont.)

LOC:

Factor D' is computed as follows (check one):

- ☐ Based on HCFA Form 2082 (relevant pages attached).
- ☒ Based on HCFA Form 372 for years WFY 98-99 through WFY 01-02 of waiver # 4157.90.R1.01, which serves a similar target population.
- ☐ Based on a statistically valid sample of plans of care for individuals with the disease or condition specified in item 3 of this request.
- ☐ Other (specify):
The cost of services were calculated and estimated by using a linear regression trend function based on four years of previous actual data.

DATE:

APPENDIX G-6

FACTOR G

LOC:

The July 25, 1994 final regulation defines Factor G as:

"The estimated annual average per capita Medicaid cost for hospital, NF, or ICF/MR care that would be incurred for individuals served in the waiver, were the waiver not granted."

Provide data ONLY for the level(s) of care indicated in item 2 of this waiver request.

Factor G is computed as follows:

- ☐ Based on institutional cost trends shown by HCFA Form 2082 (relevant pages attached). Attached is an explanation of any adjustments made to these numbers.
- ☒ Based on trends shown by HCFA Form 372 for years WFY 98-99 through WFY 01-02 of waiver # 4157.90.R1.01, which reflect costs for an institutionalized population at this LOC. Attached is an explanation of any adjustments made to these numbers.
- ☐ Based on actual case histories of individuals institutionalized with this disease or condition at this LOC. Documentation attached.
- ☐ Based on State DRGs for the disease(s) or condition(s) indicated in item 3 of this request, plus outlier days. Descriptions, computations, and an explanation of any adjustments are attached to this Appendix.
- ☐ Other (specify):
The cost of services were calculated and estimated by using linear regression trend function based on four years of previous actual data.

If institutional respite care is provided as a service under this waiver, calculate its costs under Factor D. Do not duplicate these costs in your calculation of Factor G.

DATE:

APPENDIX G-7

FACTOR G'

LOC:

The July 25, 1994 final regulation defines Factor G' as:

"The estimated annual average per capita Medicaid costs for all services other than those included in Factor G for individuals served in the waiver, were the waiver not granted.

Include in Factor G' the following:

The cost of all State plan services furnished WHILE THE INDIVIDUAL WAS INSTITUTIONALIZED.

The cost of short-term hospitalization (furnished with the expectation that the person would return to the institution) which began AFTER the person's first day of institutional services.

If institutional respite care is provided as a service under this waiver, calculate its costs under Factor D. Do not duplicate these costs in your calculation of Factor G'.

DATE:

APPENDIX G-7

FACTOR G'

LOC:

Factor G' is computed as follows (check one):

- ☐ Based on HCFA Form 2082 (relevant pages attached).
- ☒ Based on HCFA Form 372 for years WFY 98-99 through WFY 01-02 of waiver # 4157.90.R1.01, which serves a similar target population.
- ☐ Based on a statistically valid sample of plans of care for individuals with the disease or condition specified in item 3 of this request.
- ☐ Other (specify):
The costs of services were calculated and estimated by using linear regression trend function based on four years of previous actual data.

DATE:

APPENDIX G-8

DEMONSTRATION OF COST NEUTRALITY

LOC: NF**Year 1**

Factor D:	\$	4,993.79		Factor G:	\$	38,036.24
Factor D':	\$	24,926.15		Factor G':	\$	6,206.53

Total:	\$	29,919.94	<=	Total:	\$	44,242.77
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Year 2

Factor D:	\$	5,121.95		Factor G:	\$	38,797.21
Factor D':	\$	27,779.41		Factor G':	\$	6,512.57

Total:	\$	32,901.36	<=	Total:	\$	45,309.78
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Year 3

Factor D:	\$	5,257.50		Factor G:	\$	39,583.54
Factor D':	\$	30,727.79		Factor G':	\$	6,828.80

Total:	\$	35,985.29	<=	Total:	\$	46,412.34
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Year 4

Factor D:	\$	5,406.48		Factor G:	\$	40,344.51
Factor D':	\$	33,581.05		Factor G':	\$	7,134.84

Total:	\$	38,987.53	<=	Total:	\$	47,479.35
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Year 5

Factor D:	\$	5,558.99		Factor G:	\$	41,130.85
Factor D':	\$	36,529.43		Factor G':	\$	7,451.08

Total:	\$	42,088.42	<=	Total:	\$	48,581.93
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